

ALLIANCE DATA SYSTEMS CORP

Form 4

September 15, 2009

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

Check this box  
if no longer  
subject to  
Section 16.  
Form 4 or  
Form 5  
obligations  
may continue.  
*See Instruction*  
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF  
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
Number: 3235-0287  
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response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
SCULLION JOHN W

2. Issuer Name **and** Ticker or Trading  
Symbol  
ALLIANCE DATA SYSTEMS  
CORP [ADS]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
17655 WATERVIEW PARKWAY  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
09/11/2009

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_ Officer (give title \_\_\_\_X\_\_\_\_ Other (specify  
below) below)  
former officer

DALLAS, TX 75252-8012

4. If Amendment, Date Original  
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting  
Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	09/11/2009		M		10,000	A	\$ 15 210,663
Common Stock	09/11/2009		S		10,000	D	\$ 58.68 200,663 <sup>(1)</sup>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of  
information contained in this form are not  
required to respond unless the form  
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SEC 1474  
(9-02)

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**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 15	09/11/2009		M	10,000	(2) 08/31/2010	Common Stock 10,000

## Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
SCULLION JOHN W 17655 WATERVIEW PARKWAY DALLAS, TX 75252-8012	former officer

## Signatures

Leigh Ann K. Epperson, Attorney  
in Fact 09/15/2009

Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- The total number of securities beneficially owned includes: (a) 66,153 unrestricted shares; (b) 2,641 unvested shares from an original award of 7,765 time-based restricted stock units granted 2/21/07; (c) 6,698 unvested shares from an original award of 13,395 performance-based restricted stock units granted 2/21/07; (d) 68,844 unvested shares from an original award of 102,752 performance-based restricted stock units granted 4/28/08; and (e) 56,327 unvested shares from an original award of 84,070 time-based restricted stock units granted 4/28/08.
- (1) This is an employee stock option grant that is fully vested.
- The total number of derivative securities beneficially owned includes: (a) an option for 13,334 out of an original 80,000 shares granted 9/1/00, which is fully vested; (b) an option for 35,723 shares granted 6/24/03, which is fully vested; (c) an option for 34,735 shares granted 2/2/04, which is fully vested; (d) an option for 20,872 shares granted 2/3/05, which is fully vested; (e) an option for 24,691 shares granted 2/3/05, which is fully vested; (f) an option for 30,281 shares granted 2/13/06, which is fully vested; and (g) an option for 18,268 shares granted 2/21/07, of which 12,056 shares are fully vested and 6,212 shares will vest on 2/21/10.
- (3)

## Remarks:

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Effective as of 5/1/09, the Reporting Person is no longer subject to Section 16.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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